

**HAMILTON COUNTY BOARD OF AVIATION COMMISSIONERS
SEPTEMBER 2, 2004**

The Hamilton County Board of Aviation Commissioners met on Thursday, September 2, 2004 at 6:30 p.m. in the Commissioners Courtroom in the Hamilton County Government and Judicial Center, One Hamilton County Square, Noblesville, Indiana. Vice President Tom Kapostasy called the meeting to order. Secretary Kim Rauch called roll and declared a quorum present of Tom Kopastasy, Jon Ogle and Don Silvey. Tim Tolson was absent.

New Member

Tom welcomed Don Silvey as a new member of the board. Don stated he is a retired civil engineer, has lived in Hamilton County for 25 years, is married and is looking forward to serving on this Board.

Approval of Minutes

Jon Ogle motioned to approve the August 5, 2004 minutes. Don Silvey seconded. Motion carried unanimously.

Indianapolis Executive Airport Update

Runway

Dan Montgomery stated the runway is being painted. The runway is shut down at night so the painter can work on the runway.

House

Dan stated they have had problems with Cinergy hooking up the power to the house. Dan expects it to be done on Tuesday and hopes to be in the house by the end of the month.

Abbott Farms

Dan stated the Boone County Area Plan Commission voted unfavorably on Abbott Farms. It has been forwarded to the Boone County Commissioners.

Steel Building

Dan stated there is steel laying out at the airport for a steel building. Dan has been getting estimates on erecting the building. One individual has turned down the project. The other estimate is \$9,300.00 with insulation. Dan requested permission to erect the building. Mike Howard stated right now we do not have the money. Our basic commitment was that any grant money would be used for paying towards the contract. Our last commitment to the county council was to reimburse them. Our present council liaison has stated that if we receive money from the federal government from the lobbying trip, that he would feel comfortable with a 50/50 allocation of those funds. Dan stated he would like to erect the building and he will pay to put it up. If the steel and foundation sit out there too much longer, it will not be worth anything. He is not planning on storing aircraft in it, he will use it for storage. Tom asked if this was covered in your FBO contract? Dan stated it is in our exclusive area to build. We can work out lease details for the future, he will construct the building. Mike stated it is technically our land, our footings and our steel but you will have to finish it out. Could it be some kind of rent free situation for a period of time and then look at a lease on a square foot commensurate with the other buildings that you lease? Dan stated he would like the same lease that they have on the other buildings. Tom stated the general concept is ok. Tom asked if this is parallel to the main terminal building in terms of a lease? Mike stated the main terminal building is a land only lease for 30 years plus a 10-year option. Dan stated he plans on insulating the building and installing heat. Jon asked what would the building be used for? Dan stated to store all of the airport equipment, especially if we start tearing down the T-hangars. Tom asked if you are planning on leasing large areas of land or one building at a time and how this one building fits with other requests? Mike stated one building at a time. It will be a land only lease, Dan would construct and own the improvements. Tom asked what is the value of the steel? Tom stated he believes the initial appraisal states it is

approximately \$20,000. Tom stated in terms of cash flow if the Montgomery's could buy the steel then he would be willing to go 5-10 years lease free if the Montgomery's build the building. Mike could figure out what the correct lease would be for the next 30 years. Jon and Don agreed. Carl Winkler suggested getting an appraisal on the steel. There is a question on the engineering, it may not be worth what the appraisal stated. Mike stated he would negotiate with the Montgomery's and come back to the next meeting with a recommendation. Jon motioned to encourage Dan to start the permitting process. Don seconded. Motion carried unanimously.

Construction of T-Hangars

Dan stated he would like to construct a 12 unit T-hangar. He will have to order the steel before he can get a permit. Montgomery's would be the owner of these hangars and it would be a land lease similar to the main terminal building. Tom asked if we would use the .32¢ a square foot rate as indicated in the survey? Dan stated yes. Mike asked if that is for the building footprint, what was the square footage included in those leases? Carl stated that rate is for what is under roof. The first row of T-hangars have to be torn down, so he is planning on the current occupants moving into the new T-hangars. Mike stated those hangars belong to the airport commission. The airport commission is getting the majority of the rental. Maria Muia stated the demolition would hopefully be done next year, if there was approval to use some funds requested on our lobbying trip to D.C. Obstruction removal was one of the items we indicated we wanted to do. Mike stated we would have to get the county council's approval. Maria stated when new money comes there will be an application process that will dictate exactly what you will be doing with the money. If there is an allocation made for a high priority project put in the bill, it would say what the money would be used for. Mike stated the FAA has certain prioritization of AIP money and in the prioritization reimbursement is down in the 20's level whereby safety improvements are in the top 10. We were told 95% of the purchase price is eligible for reimbursement, just because it is eligible does not mean it will be funded. Jon asked what are the proposed rental fees on the new T-hangars? Dan stated \$350 - \$375. Jon motioned to authorize Mike to move forward with a land lease to be prepared for signature at the next meeting. Don seconded. Motion carried unanimously.

Hangars

Dan stated he has received verbal commitments from three customers that would like to build their own hangars at Indianapolis Executive Airport. He has not received any written commitments to date.

Dan stated he is planning on building another big hangar next year.

Jon stated he does not have a problem with the concept of the land lease fee being a promotional fee for the airport infrastructure, when we start to bring in private hangars we need to look closely at the leasing schedule.

- ◆ Mike will prepare a boilerplate lease with minimum standards.
- ◆ Jon would like to establish a plan and what conditions we want. Montgomery's will research the marketplace and what the factors are in pricing.
- ◆ Building design size standards – set a standard exterior appearance. Building sizes will be different depending on what type of aircraft will be accommodated. Establish areas of what size buildings are located on the property. Montgomery's and Mid-States will come up with a basic site plan.
- ◆ Need to establish infrastructure recapture. Need to establish a utility quota. Montgomery's will provide a recommendation.
 - ◆ Septic recapture. The first owner will pay for the bulk of the cost except for the connections for the subsequent people. We would write the agreement that they would get their money back through time.

Annual Audit

Jon asked the Montgomery's to provide the Board a copy of their annual audit of their accounts.

Veolia Water Proposal

Pat Zaharako of Commonwealth Engineers representing Veolia Water. Pat reviewed the water main design and potential routes to run a 24 inch water main along the property lines from County Road 200 South up to County Road 166th Street which T's into the airport property and then follow it in to Hamilton County. Pat will ask what Veolia is proposing for a tap fee and the size of the meter that they would allow. Pat asked if it would be possible to approve a material storage site while they wait for FAA permits? They could use a portion of the field and Veolia Water would be willing to pay for any crop damages. Jon motioned to approve, in concept, get the proposed easements to Mike for review. Final permission will be voted on at the next meeting, contingent on the Bailey property issue. Don seconded. Motion carried unanimously. Don motioned to work towards a temporary construction easement for approximately 300' x 30' on the south end of the property subject to working out the crop damage and any fence repair. Jon seconded. Motion carried unanimously.

Mid-States Engineering Report

Larry Creakbaum stated they are working on three projects. The first is obstruction removal, which included demolition of the old FBO building. We need to redo the power so there is power to the localizer and the well. We hope to request permission to bid in October with bid opening in November. This is funded through the grant program. They will put in fence until they run out of money.

Runway REILS

Runway REILS are inoperable. They are 15 years old and Larry suggested they be put in a federal program for replacement. There is no program right now, so it would be future reimbursement. They would like to borrow the funds and it will be reimbursed next year. It is approximately \$25,000. Larry requested permission to advertise for bid. The contractor will not need to be paid until January or February. Mike stated we would have crop money, so it can be funded from cash flow and then we will wait on reimbursement.

Sanitary Waste Disposal Mounds System

Maria requested approval of a contract for the sanitary waste disposal mounds system. There is no guarantee it will be reimbursed by the FAA. Mike stated we have enough cash to fund this project and then we may have to get part of the grant money appropriated. We need to make sure we have \$150,000 to pay on the contract at the end of the year. We need approximately \$22,000 in cash up front before construction would take place. Jon motioned to approve. Don seconded. Motion carried unanimously.

Legal Counsel Report

Mike thanked everyone for their support during the rezoning issue.

Declarations and Covenants and Restrictions

Mike requested approval of the Declarations and Covenants and Restrictions for Indianapolis Executive Airport. Don motioned to approve. Jon seconded. Motion carried unanimously.

Claim

Mike Howard requested approval of a claim in the amount of \$6,503 for his work on the rezoning process. Jon motioned to approve. Don seconded. Motion carried unanimously.

Policy Statement

Tom presented a draft of the Board's policy statement. Discussion will continue at the next meeting.

2005 Budget

Kim informed the Board that during the county council hearings it was requested the 2005 Budget be cut by 4%. Kim reviewed the cuts with the Board.

Kim stated the county auditor has been generous in allowing her to work on aviation business during regular office hours but due to budget cuts time spent on aviation issues will be charged to Aviation overtime payroll line item.

Jon motioned to adjourn the meeting. Don seconded. Motion carried unanimously.

Present

Tom Kapostasy
Jon Ogle
Don Silvey
Mike Howard
Larry Creakbaum
Maria Muia
Kim Rauch
Matt Evans
Brad Beaver
Carl Winkler
Dan Montgomery

Tim Tolson, President

Kim Rauch, Secretary

Date

Date